

## UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG ELECTRIC LOGS FILE X WATER SANDS LOCATION INSPECTED SUB REPORT/abd.890131 OA pu BVM

DATE FILED 8-28-87

LAND: FEE &amp; PATENTED

STATE LEASE NO.

PUBLIC LEASE NO. U-40440

INDIAN

DRILLING APPROVED: 9-4-87

SPUDDED IN:

COMPLETED:

PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED:

FIELD:

UNDESIGNATED

UNIT:

COUNTY:

SAN JUAN

WELL NO.

CHEROKEE FEDERAL 44-10

API #43-037-31341

LOCATION

810' FSL FT. FROM (N) (S) LINE.

461' FEL

FT. FROM (E) (W) LINE.

SE SE

1/4 - 1/4 SEC.

10

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
				37S	23E	10	MERIDIAN OIL INC.

# MERIDIAN OIL

RECEIVED  
AUG 28 1987  
DIVISION OF OIL  
GAS & MINING

August 26, 1987

State of Utah Natural Resources  
Oil, Gas and Mining  
355 W. North Temple  
3 Triad center, Ste 350  
Salt Lake City, Utah 84180-1203

Attention: Arlene Sollis

Re: Application for Permit to Drill  
44-10 Cherokee-Federal  
SESE Section 10-37S-23E  
San Juan County, Utah  
Federal Lease No. U-40440

Gentlemen:

Enclosed are three copies of Form 3160-3, Application for Permit to Drill with attachments for the above referenced location.

The Application to Appropriate Water for this well is the Fixed Time (10 Well Program) Application Number 09-1499 (A62236).

Please be advised that Meridian Oil Inc. requests that all pertinent data for this location be granted TIGHT HOLE status.

If you have any questions, please do not hesitate to call me at 406-256-4122.

Sincerely,



Suzann S. Nelson  
Sr. Operations Technician

/ssn/1423N

Encl

**CONFIDENTIAL**  
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

1a. TYPE OF WORK  
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

b. TYPE OF WELL  
OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. NAME OF OPERATOR  
MERIDIAN OIL INC.

3. ADDRESS OF OPERATOR  
P. O. Box 1855, Billings, MT 59103

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
At surface SESE (810' FSL - 461' FEL)

At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
17 northwest of Hatch Trading Post

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any) 461'

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 5,280'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
5826' GL (graded)

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8-5/8"	24#	2,200'	Cmt to sfc w/560 sx
7-7/8"	5-1/2"	15.5#	6,370'	Single stage. TOC @ 5500'.
				Cal log + 20% excess.

"B" + 3% Kcl + 1.7% gas check

Oil and Gas Order #1  
Attachments:  
Eight Point Drilling Program  
Thirteen Point Surface Use Plan  
Exhibit "1", "4", "9a" and "9b"

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**RECEIVED**  
**AUG 28 1987**  
DIVISION OF OIL  
GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED D.R. Harris TITLE Regional Drilling Engineer DATE 8/26/87

(This space for Federal or State office use)

PERMIT NO. 43-037-31341

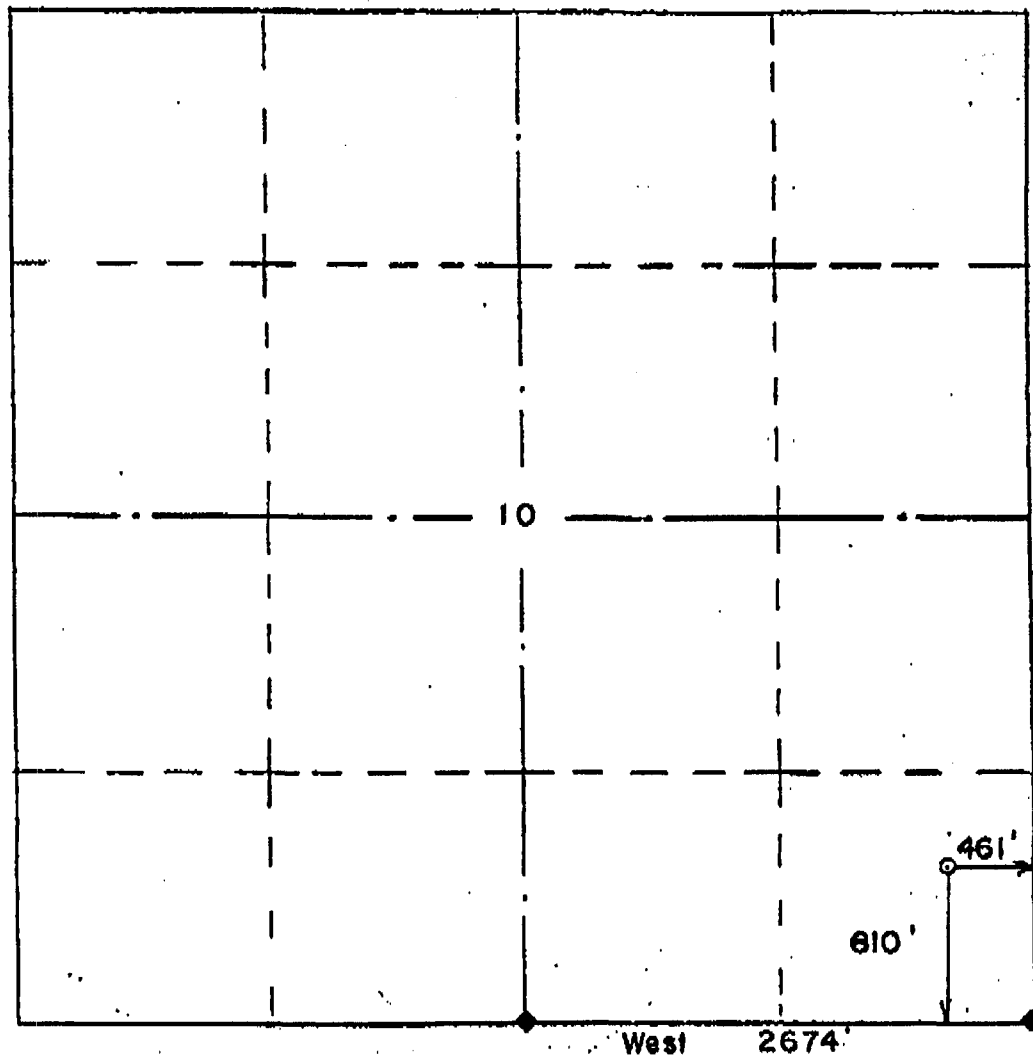
APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING

APPROVED BY \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

APPROVAL DATE 9-4-87  
BY: John R. Dyer  
WELL SPACING: R65-3-2

\*See Instructions On Reverse Side

WELL LOCATION AND ACREAGE DEDICATION PLAT

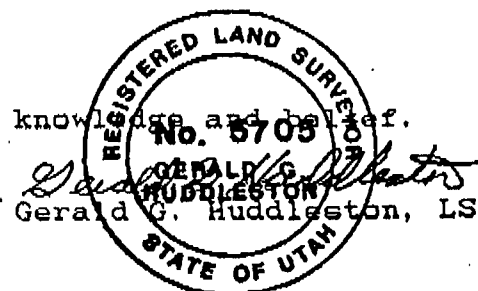


WELL LOCATION DESCRIPTION:

Meridian Oil 44-10 Cherokee Federal  
 810' FSL & 461' FEL  
 Section 10, T.37 S., R.23 E., SLM  
 5827' ground elevation  
 Alternate: 590' FSL & 570' FEL, 5829' Grd.  
 San Juan County, Utah

The above plat is true and correct to my knowledge and belief.

16 August 1987



Gerald G. Huddleston, LS

1613N

OIL AND GAS ORDER NO. 1

MERIDIAN OIL INC.

LEASE NAME: 44-10 Cherokee-Federal  
LEASE NO. U-40440  
LOCATION: SESE Section 10-37S-23E  
810' FSL - 461' FEL  
San Juan County, Utah  
Cherokee Field

A. EIGHT POINT DRILLING PROGRAM

1. & 2. Estimated Tops:

Morrison	Surface	
Entrada	986	
Navajo	1198	fresh water
Chinle	2163	
Shinarump	2723	
Cutler	3123	
Hermosa	4923	
Upper Ismay	5913	oil
Top Porosity	6008	
A Shale	6093	
Lower Ismay	6123	
Desert Creek	6201	oil
Chimney Rock	6282	
Akah	6306	
TD	6370	

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3. Pressure Control Equipment:

- a. A 3000 psi WP wellhead will be installed on the surface casing. A 1500 psi WP Annular preventer and 1500 psi WP double gate preventer equipped with blind and pipe rams will be nipped up on wellhead.
- b. BOP systems will be consistent with API RP 53. Annular preventer will be tested to 1500 psi against casing. Pipe and blind rams, choke line and manifold will be tested to 1500 psi against casing. Casing will be tested to 1500 psi prior to drilling float shoe. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventor controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

4. Casing program:

Anticipated cement tops will be reported as to depth, not the expected number of sacks.

Hole Size	Size	Depth	Casing				Cementing Program
			Weight	Grade	Thrd	Cond	
11	8-5/8	2,200'	24#	K-55	ST&C	New	Cement to sfc w/560 sx. Single stage. TOC @ 5500'. Caliper log + 20% excess.
7-7/8	5-1/2	6,370'	15.5#	K-55	LT&C	New	

"B" + 3% Kcl  
+ 1.7% gas check.

5. Proposed drilling mud program:

A water base mud system from surface to TD. Maximum anticipated mud weight is 9.3#/gallon.

A mud logging unit will be on location from 3500' to TD.

6. Testing program:

Upper Ismay - Probable  
Desert Creek - Probable

Logging program:

GR/DLL/MSFL	Base surface casing to TD (GR to surface)
GR/CNL/FDC	Base surface casing to TD
GR/Sonic	Base surface casing to TD (GR to surface display)
Strat Dipmeter	Minimum op charge.

Coring program:

None anticipated.

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Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analysis, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. If requested, samples (cuttings, fluids, and/or gases) will be submitted to the District Manager.

7. Anticipated abnormal BHP or BHT:

No abnormal BHP or BHT are expected in this well.

Potentially hazardous conditions anticipated:

No H<sub>2</sub>S has been found, reported or is known to exist at these depths in this area.

8. Anticipated Starting Dates and Notifications of Operations

The operator will contact the San Juan Resource Area at 801-587-2141, 48 hours before beginning any dirt work.

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the District Manager. If operations are to be suspended, prior approval of the District Manager will be obtained and notification given before resumption of operations.

The spud date will be reported orally to the San Juan Area Manager, a minimum of 24 hours before spudding. A Sundry Notice (Form 3160-5) will be sent within 24 hours after spudding, reporting the spud date and time. The Sundry will be sent to the District Manager. If the spudding is on a weekend or holiday, the Sundry will be submitted on the following regular work day.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 9-329 "Monthly Report of Operations," starting with the month in which operations begin and continue each month until the well is physically plugged and abandoned. This report will be sent to the BLM District Office, P. O. Box 970, Moab, Utah 84532.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported to the Resource Area in accordance with requirements of NTL-3A.

If a replacement rig is planned for completion operations, a Sundry Notice (Form 3160-5) to that effect will be filed, for prior approval of the District Manager. All conditions of this approved plan are applicable during all operations conducted with the replacement rig. In emergencies, verbal approval can be given by the District Petroleum Engineer.

If the well is successfully completed for production, then the District Manager will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than 5 business days following the date on which the well is placed on production.

No well abandonment operations will begin without the prior approval of the District Manager. In the case of newly drilled dry holes or failures, and in emergencies, oral approval will be obtained from the District Petroleum Engineer. A "Subsequent Report of Abandonment" (Form 3160-5), will be filed with the District Manager, within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration.

Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the San Juan Area Manager, or the appropriate surface manager.

Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed 30 days or 50 MMCF gas. Approval to vent/flare beyond this initial test period will require District Office approval pursuant to guidelines in NTL-4A.

Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The following information will be permanently beaded-on with a welding torch: Fed, well number, location by 1/4 1/4 section, township and range, Lease number.

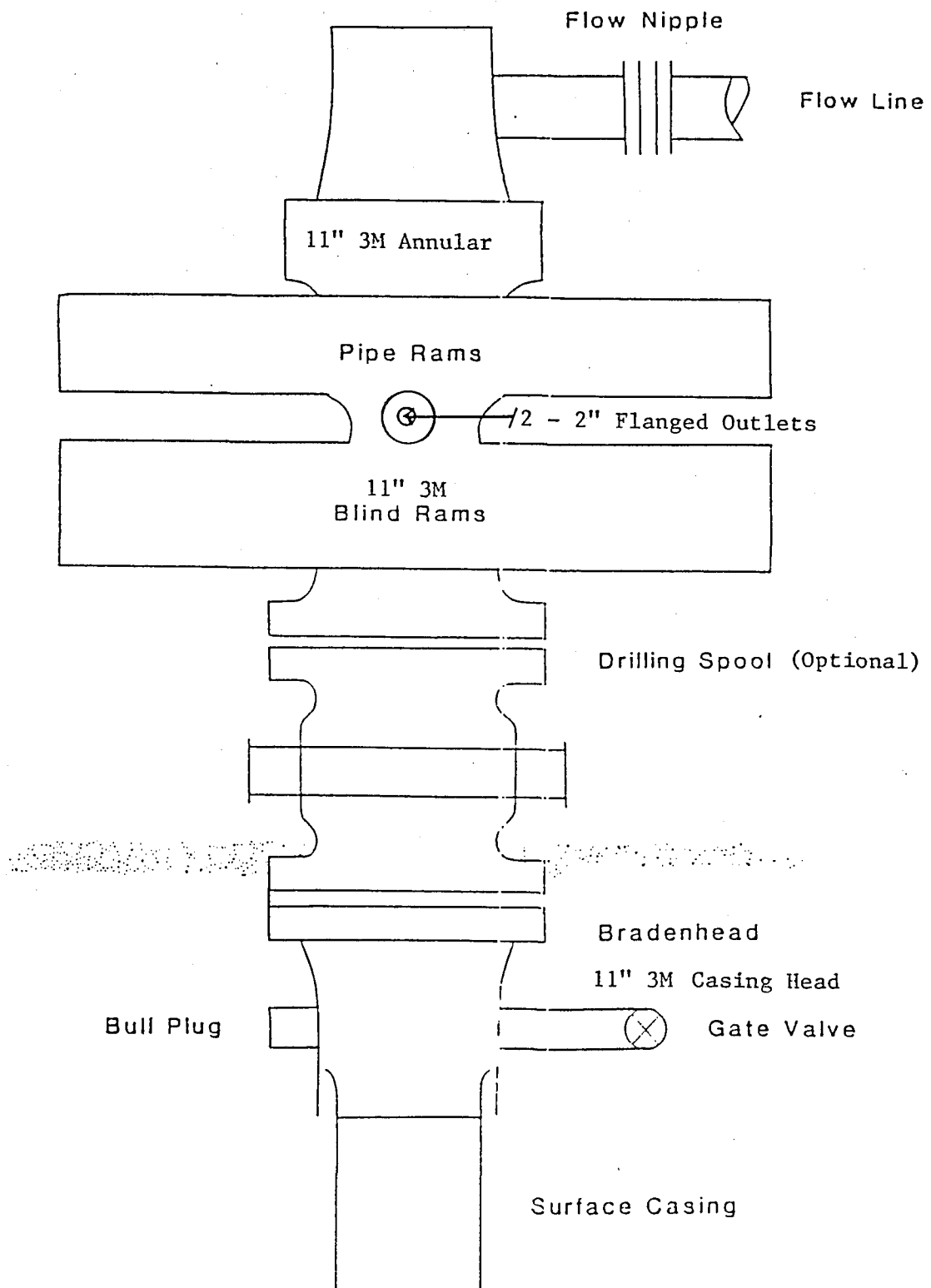
A first production conference will be scheduled within 15 days after receipt of the first production notice. The San Juan Area Manager will schedule the conference.

Other: A separate rig will be used for completion operations.

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# TYPICAL B.O.P. INSTALLATION



Series 900 Double Gate B.O.P.,  
rated at 1500 psi Working Pressure.

When gas drilling operations begin a Shaffer type 50 or equivalent rotating head is installed on top of the flow nipple and the flow line is converted into a blowie line.

B. THIRTEEN POINT SURFACE USE PLAN

1. Existing Roads (Yellow)

- a. Location of proposed well in relation to town or other reference point:  
16 miles northwest of Hatch Trading Post.
- b. Proposed route to location. (See attached Exhibit "1").
- c. Existing and new access shall be maintained in good or better condition.
- d. An encroachment permit will be obtained from the San Juan County Road Department.

2. Planned Access Roads (Blue)

- a. The maximum total width will be 30 feet for 1.1 mile.
- b. Maximum grade is N/A.
- c. Turnouts will be constructed as needed.
- d. Road is centerline flagged.
- e. Road will be drained as needed.
- f. If access is utilized during wet winter weather, road surfacing may be required to prevent road maintenance problems.
- g. A Right-of-way is required for approximately 2200' across Section 15 and approximately 1000' across Section 10-37S-23E.
- h. The access road will be monitored during construction by an archeologist to avoid three archeology sites.

Each fence which is crossed by the road will be braced and tied off before cutting to prevent slackening of the wire. A gate or cattleguard which must be approved by BIM, will be installed.

If road construction cuts through natural topography which serves as a livestock barrier, a fence shall be constructed.

Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance by the San Juan Area Manager.

The access road will be water barred or brought to Class III Road Standards within 60 days of dismantling of the drill rig. If this time frame cannot be met, the San Juan Area Manager will be notified so that temporary drainage control can be installed along the access road.

The Class III Road Standards which ensure drainage control over the entire road through the use of natural, rolling topography; ditch turnouts; drainage dips; outsloping; crowning; low water crossing; and culverts will be determined at the appropriate field inspection.

3. Location of Existing Wells (1 mile radius)

a. Existing wells in the area are shown on attached Exhibit "1".

4. Location of Existing and/or Proposed Facilities if Well is Productive

Battery facility will be located on well pad layout. (See attached Exhibit "4").

All permanent (on site for 6 months or longer) above ground facilities (including pump jacks) will be painted a flat, nonreflective, earthtone color to match the standard environmental colors, as determined by the Rocky Mountain 5-State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The color will be Desert Tan with Brown trim.

All flowlines will be buried parallel of access road unless authorized otherwise by BLM.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the largest tank.

All loading lines will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.

Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place before any deliveries. Tests for meter accuracy will be conducted monthly for the first 3 months on new meter installations and at least quarterly thereafter. The San Juan Area Manager will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the San Juan Area Manager. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

5. Location and Type of Water Supply

All water needed for drilling purposes will be hauled by Hay Hot Oil Service, a commercial water hauler, from a private source.

6. Source of Construction Materials

Native soil materials from drilling location and access trail, which is available, will be used. Any additional materials needed will be hauled in from authorized commercial sources.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

7. Methods for Handling Waste Disposal

The reserve pit will be lined with commercial bentonite sufficient to prevent seepage. At lease half of the capacity will be in cut.

Three sides of the reserve pit will be fenced with four strands of barbed wire before drilling starts. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.

A trash pit will be constructed near the mud tanks and dug at least six feet into solid undisturbed material. It will be totally enclosed with a fine wire mesh before the rig moves in. The road and pad will be kept litter free.

A burning permit is required for burning trash between May 1 and October 31. This can be acquired by contacting the San Juan County Sheriff at (801) 587-2237.

Produced waste water will be confined to a (lined) pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).

8. Ancillary Facilities

Camp facilities will not be required.

9. Well Site Layout

Rig layout is shown on attached Exhibit "9a".

Cuts and fills are shown on attached Exhibit "9b".

The reserve pit will be located on Southeast of location.

The top 0 inches of soil material will be removed from the location. Trees and brush will stockpiled on the Northwest side of location. Topsoil along the access will be reserved in place.

Access to the well pad will be from the Northeast.

10. Reclamation:

- a. Immediately on completion of drilling, all trash and debris will be collected from the location and surrounding area. All trash and debris will be disposed of in the trash pit and will then be compacted and buried under a minimum of two feet of compacted soil.
- b. The operator/holder or his contractor will contact the San Juan Resource Area office in Monticello, Utah, (801) 587-2141, 48 hours before starting reclamation work that involves earthmoving equipment and upon completion of restoration measures.
- c. Before any dirt work to restore the location takes place, the reserve pit must be completely dry.
- d. All disturbed areas will be recontoured to blend as nearly as possible with the natural topography. This includes removing all berms and refilling all cuts.
- e. The stockpiled topsoil will be spread evenly over the disturbed area. All disturbed areas will be ripped 12 inches deep with the contour.

- f. Water bars will be built as follows to control erosion.

<u>Grade</u>	<u>Spacing</u>
2%	Every 200 feet
2-4%	Every 100 feet
4-5%	Every 75 feet
5+%	Every 50 feet

- g. Seed will be broadcast between October 1 and February 28 with the following prescription. A harrow or similar implement will be dragged over the area to assure seed cover.

<u>4</u>	lbs/acre crested wheatgrass ( <u>Agropyron desertorum</u> )
<u>3</u>	lbs/acre Fourwing saltbush ( <u>Atriplex canenscens</u> )
<u>2</u>	lbs/acre Desert bitterbrush ( <u>Purshia glandulosa</u> )
<u>1/2</u>	lbs/acre Yellow sweetclover.

- h. After seeding is complete, the stockpiled trees will be scattered evenly over the disturbed areas. The access will be blocked to prevent vehicular access.

i. The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed as described in the reclamation section. Enough topsoil will be kept to reclaim the remainder of the location at a future date. This remaining stockpile of topsoil will be seeded in place using the prescribed seed mixture.

11. Surface Ownership: Federal  
Mineral Ownership: Federal

12. Other Information

The archeological sites between the pad and the pit will be fenced.

There will be no change from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be used. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.2.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3164.

The dirt contractor will be provided with an approved copy of the surface use plan.

If subsurface cultural materials are exposed during construction, work in that spot will stop immediately and the San Juan Resource Area Office will be contacted. All people who are in the area will be informed by the operator/holder that they are subject to prosecution for disturbing archaeological sites or picking up artifacts. Salvage or excavation of identified archaeological sites will be done by a BLM approved archaeologist only if damage occurs.

This permit will be valid for a period of one year from the date of approval. After permit termination a new application will be filed for approval for any future operations.

Your contact with the District Office is: Steve Jones.  
Office Phone: 801-259-6111 Address: P. O. Box 970, Moab, UT 84532.

Resource Area Manager's Address and contacts:  
Address: P. O. Box 7, Monticello, UT 84535

Your contact is: Richard McClure  
Office Phone: 801-587-2141

O&G Order No. 1  
44-10 Cherokee-Federal  
1613N/Page 10

13. Lessee or Operator's Field Representative and Certification

Meridian Oil Inc.


P. O. Box 1855

Billings, Montana 59103

1. Johnny L. Wright, Drilling Supt.	406-256-4175	406-252-2889
2. Steve Cruickshank, Drilling Eng.	406-256-4164	406-252-0701
3. Douglas R. Harris, Reg. Drilling Eng.	406-256-4025	406-652-2381
4. John Pulley, Completion Supt.	406-256-4124	406-259-6156

CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct, and, that the work associated with the operations proposed herein will be performed by Meridian Oil Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

54   
Douglas R. Harris  
Regional Drilling Engineer

8/26/87  
Date

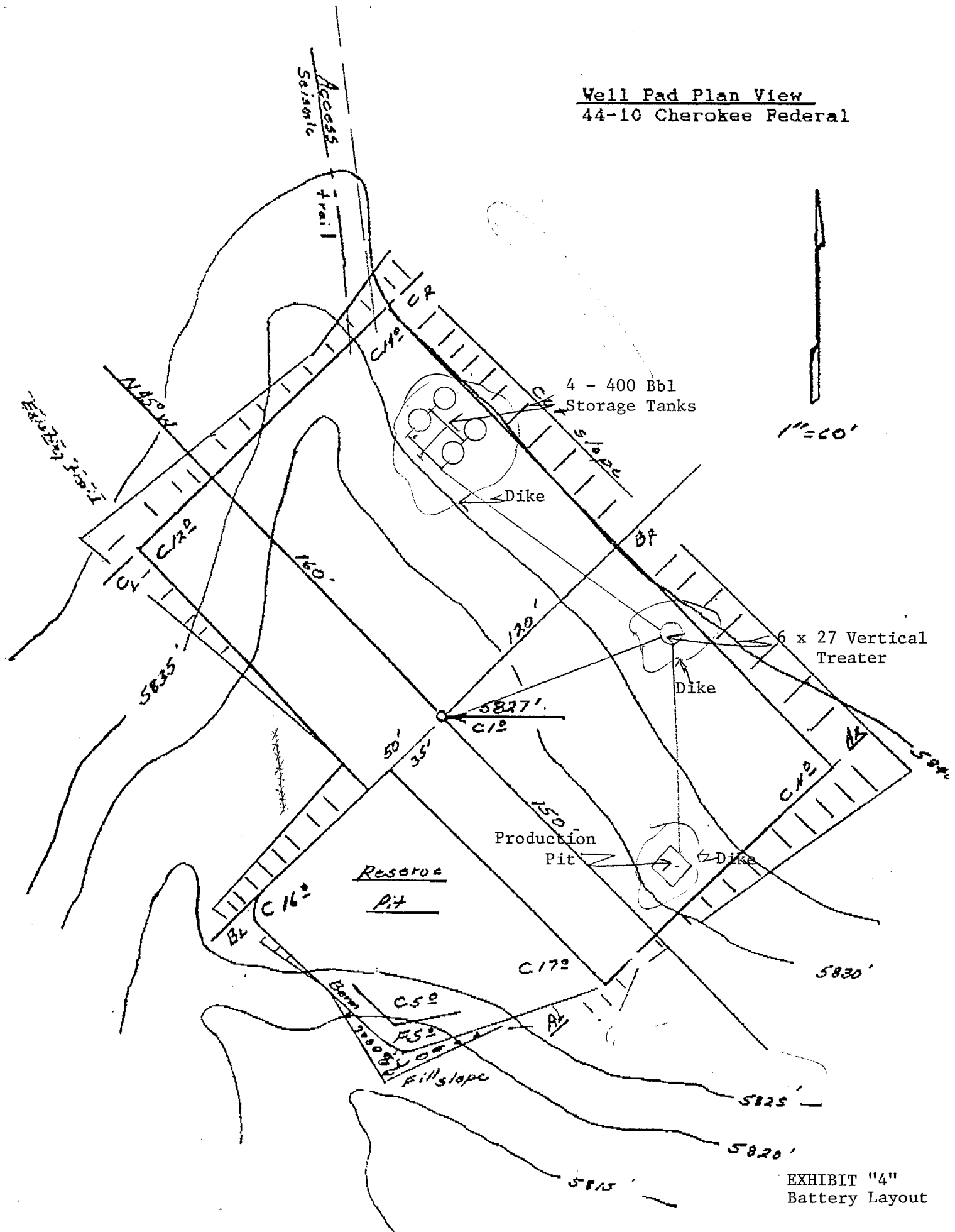
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Well Pad Plan View  
44-10 Cherokee Federal



WELL PAD CROSS-SECTION

44-10 Cherokee Federal

Cut /////  
Fill |||||

Scales: 1" = 60' H.  
1" = 30' V.

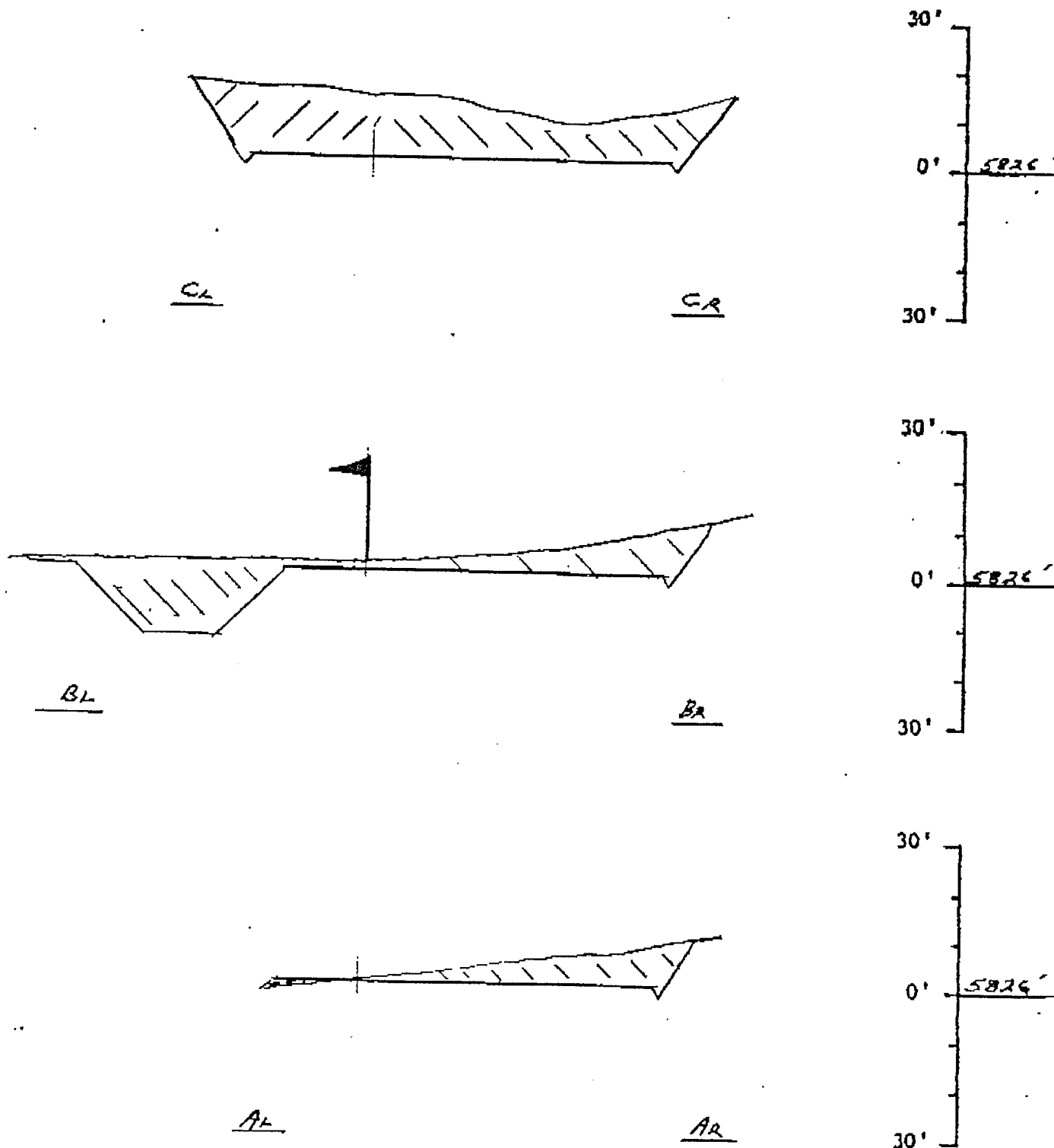


EXHIBIT "9b"  
Cross-Section

Well Pad Plan View  
44-10 Cherokee Federal

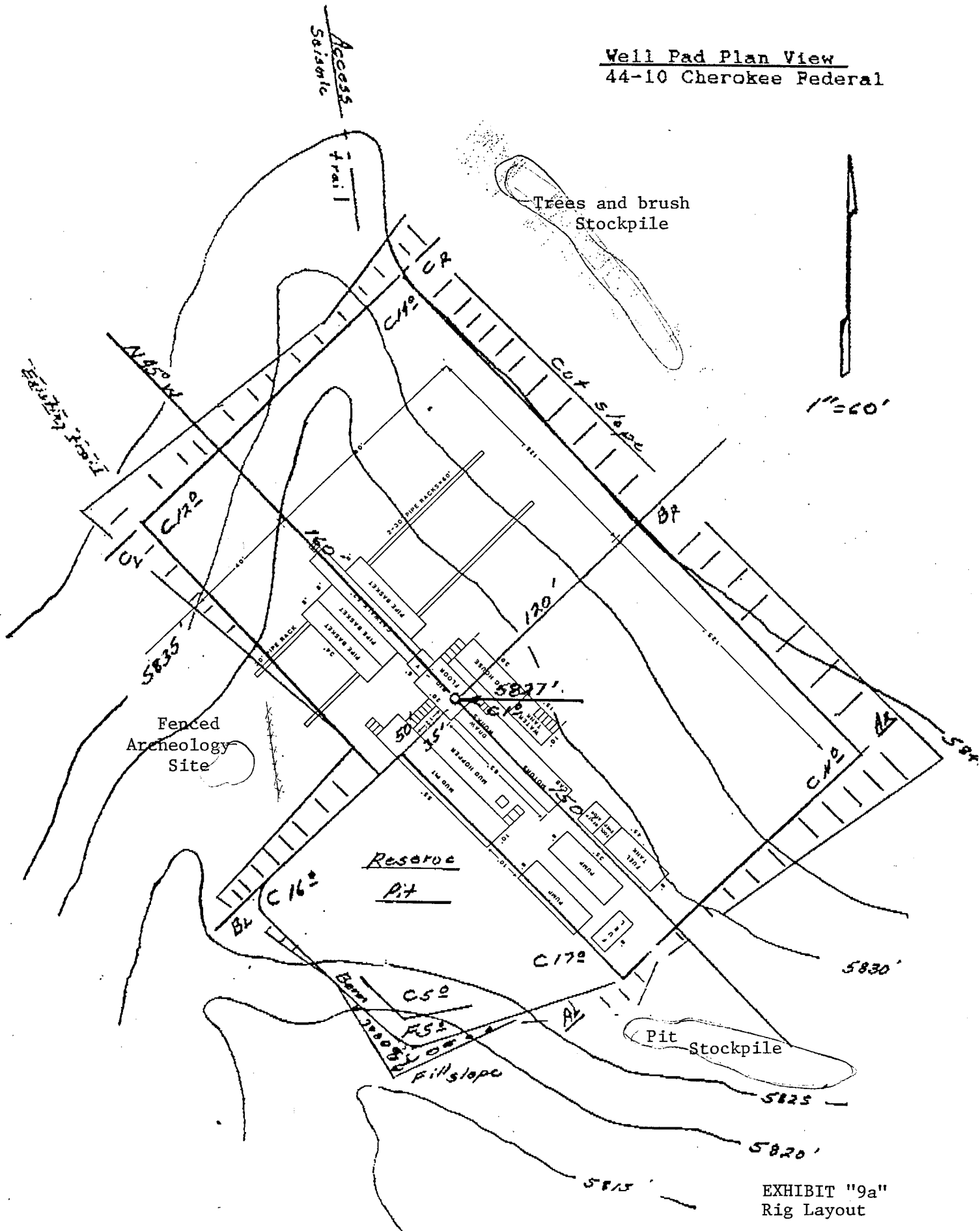


EXHIBIT "9a"  
Rig Layout

## DESIGNATION OF OPERATOR

The undersigned is, on the records of the Bureau of Land Management, holder of lease

DISTRICT LAND OFFICE: Moab, Utah 84532  
SERIAL NO.: BLM No. U-40440

and hereby designates

NAME: Meridian Oil, Inc.  
ADDRESS: 5613 DTC Parkway  
Englewood, Colorado 80111

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to (describe acreage to which this designation is applicable):

Township 37 South, Range 23 East,  
SLM,  
Section 10: S/2 NE/4, SE/4  
Section 14: E/2  
Section 24: NW/4 NW/4  
San Juan County, Utah

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the supervisor of any change in the designated operator.

CITIES SERVICE OIL AND GAS CORPORATION



K. D. Van Horn, (Signature of lessee) Manager-Production  
Southwest District  
P.O. Box 1919, Midland, Texas 79702

March 18, 1987

(Date)

(Address)

CONFIDENTIAL

090803

OPERATOR Meridian Oil Inc DATE 9-2-87

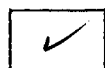
WELL NAME Cherokee Fed. 44-10

SEC SESE 10 T 37S R 23E COUNTY San Juan

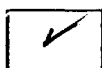
43-037-31341  
API NUMBER

Fed.  
TYPE OF LEASE

CHECK OFF:



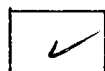
PLAT



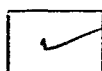
BOND



NEAREST  
WELL



LEASE



FIELD



POTASH OR  
OIL SHALE

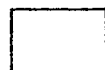
PROCESSING COMMENTS:

No other well within 920'

Water Permit 89-1499 (A62236)

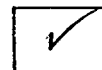
APPROVAL LETTER:

SPACING:



R615-2-3

UNIT



R615-3-2



CAUSE NO. & DATE



R615-3-3

STIPULATIONS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

0218T



STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Norman H. Bangerter, Governor  
Dee C. Hansen, Executive Director  
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

September 4, 1987

Meridian Oil, Inc.  
P. O. Box 185  
Billings, Montana 59103

Gentlemen:

Re: Cherokee Federal 44-10 - SE SE Sec. 10, T. 37S, R. 23E  
810' FSL, 461' FEL - San Juan County, Utah

Approval to drill the referenced well is hereby granted in accordance with Rule R615-3-2, Oil and Gas Conservation General Rules.

In addition, the following actions are necessary to fully comply with this approval:

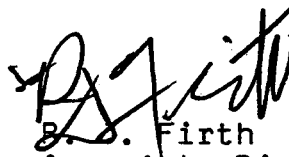
1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal of an Entity Action Form to the Division within five working days of the time that the well is spudded or a change in operations or interests necessitates a change in entity status.
3. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
4. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or R. J. Firth, Associate Director, (Home) 571-6068.
5. Compliance with the requirements of Rule R615-3-22, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

Page 2  
Meridian Oil, Inc.  
Cherokee Federal 44-10  
September 4, 1987

6. Prior to commencement of the proposed drilling operations, plans for toilet facilities and the disposal of sanitary waste at the drill site shall be submitted to the local health department having jurisdiction. Any such drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of all local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 538-6121.
7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-037-31341.

Sincerely,



B. S. Firth  
Associate Director, Oil & Gas

as  
Enclosures  
cc: Branch of Fluid Minerals  
D. R. Nielson

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. U-40440
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
2. NAME OF OPERATOR MERIDIAN OIL INC.			7. UNIT AGREEMENT NAME N/A
3. ADDRESS OF OPERATOR P. O. Box 1855, Billings, MT 59103			8. FARM OR LEASE NAME Cherokee-Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface SESE (610' FSL - 461' FEL) 810' At proposed prod. zone Same			9. WELL NO. 44-10
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 17 northwest of Hatch Trading Post			10. FIELD AND POOL, OR WILDCAT Cherokee
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 461'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 10-37S-23E
16. NO. OF ACRES IN LEASE 1,560			12. COUNTY OR PARISH San Juan
17. NO. OF ACRES ASSIGNED TO THIS WELL 40			13. STATE Utah
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 5,280'			20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5826' GL (graded)			22. APPROX. DATE WORK WILL START* September 15, 1987

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8-5/8"	24#	2,200'	Cmt to sfc w/560 sx
7-7/8"	5-1/2"	15.5#	6,370'	Single stage. TOC @ 5500'. Cal log + 20% excess.

"B" + 3% Kcl + 1.7% gas  
check

CONFIDENTIAL INFORMATION

Oil and Gas Order #1

Attachments:

Eight Point Drilling Program  
Thirteen Point Surface Use Plan  
Exhibit "1", "4", "9a" and "9b"

RECEIVED

SEP 8 1987

DEPT. OF THE INTERIOR

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED D.R. Harris TITLE Regional Drilling Engineer DATE 8/26/87

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

/s/ Kenneth V. Rhea

APPROVED BY \_\_\_\_\_ TITLE Acting District Manager DATE SEP 03 1987

IS SUBJECT OF NTL 4-A  
DATED 1/1/80

CONDITIONS OF APPROVAL ATTACHED

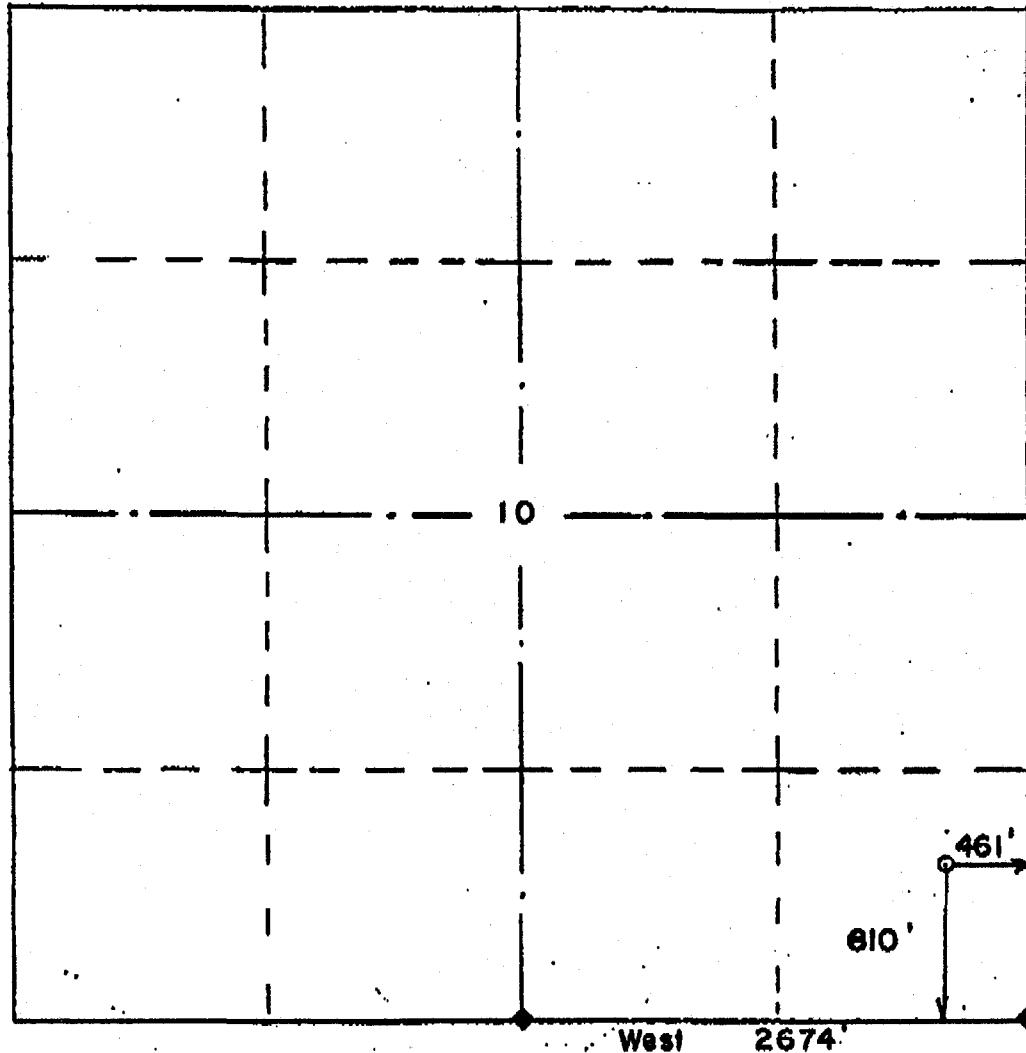
\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

SUBJECT TO RIGHT OF WAY  
APPROVAL



WELL LOCATION AND ACREAGE DEDICATION PLAT

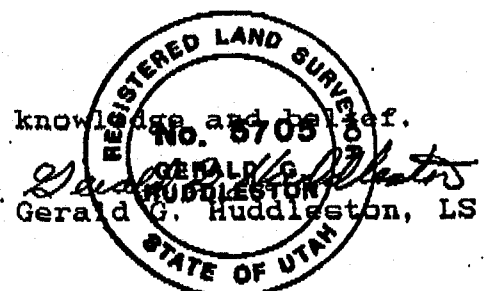


WELL LOCATION DESCRIPTION:

Meridian Oil 44-10 Cherokee Federal  
 810' FSL & 461' FEL  
 Section 10, T.37 S., R.23 E., SLM  
 5827' ground elevation  
 Alternate: 590' FSL & 570' FEL, 5829' Grd.  
 San Juan County, Utah

The above plat is true and correct to my knowledge and belief.

16 August 1987



Meridian Oil Inc.  
Well No. Cherokee-Federal 44-10  
Sec. 10, T. 37 S., R. 23 E.  
San Juan County, Utah  
Lease U-40440

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE\*  
(Other instructions on re-  
verse side)

Form approved.  
Budget Bureau No. 1004-0135  
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT-1" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-40440
2. NAME OF OPERATOR MERIDIAN OIL INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
3. ADDRESS OF OPERATOR P. O. Box 1855, Billings, MT 59103		7. UNIT AGREEMENT NAME N/A
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface SESE (810' FSL - 461' FEL)		8. FARM OR LEASE NAME Cherokee-Federal
14. PERMIT NO. 43-037-31341		9. WELL NO. 44-10
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 4826' GL		10. FIELD AND POOL, OR WILDCAT Cherokee
		11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA Section 10-37S-23E
		12. COUNTY OR PARISH San Juan
		13. STATE Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input checked="" type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

This location only had partial disturbance. Well was not drilled. Location has been reclaimed and reseeded and is ready for inspection.

18. I hereby certify that the foregoing is true and correct

SIGNED <u>[Signature]</u>	TITLE <u>Sr. Operations Technician</u>	DATE <u>7/19/88</u>
(This space for Federal or State office use)		
APPROVED BY <u>[Signature]</u>	TITLE <u>Director</u>	DATE <u>8/22/88</u>
CONDITIONS OF APPROVAL, IF ANY:		

ALS 8/22/88

\*See Instructions on Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



Norman H. Bangerter  
Governor

Dee C. Hansen  
Executive Director

Dianne R. Nielson, Ph.D.  
Division Director

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340

January 31, 1989

Meridian Oil Inc.  
P. O. Box 1855  
Billings, MT 59103

Gentlemen:

Re: Cherokee-Federal #44-10 Sec.10, T.37S, R.23E, San Juan County, Utah  
API No. 43-037-31341

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

Don T. Staley  
Administrative Supervisor

TAS/tc  
cc: D. R. Nielson  
R. J. Firth  
BLM-Moab  
Well files  
WE16/100